



UNITED STATES DEPARTMENT OF EDUCATION
THE OFFICE OF STUDENT FINANCIAL ASSISTANCE
WASHINGTON, D.C. 20202

February 29, 2000

Dear Lender/Service Partner:

This letter is to inform you that the scope of guaranty agency reviews required by 34 CFR 682.410(c)(1) has changed. For the lender review cycle which began 1/1/2000, Guaranty Agency Compliance Officers will be concentrating on verifying certain specific data elements transmitted to the National Student Loan Data System (NSLDS). While the required scope is NSLDS "reconciliation," the U.S. Department of Education (ED) is encouraging guaranty agencies to continue conducting compliance reviews in their traditional areas of lender administration as well.

ED requests that you extend your cooperation and assistance with this effort at increasing the integrity of data transmitted to NSLDS to each Guaranty Agency whose staff will be conducting reviews at your organization. With the help of each of ED's partners, ED is confident that data integrity in NSLDS will improve. The guide that guaranty agencies will be following is posted at <http://www.ed.gov/offices/osfap/igal>.

If you have further questions regarding the change in focus for this compliance activity, please contact the Director of your cognizant Regional Office.

Sincerely,

Katrina Turner
Acting Director
Financial Analysis and Oversight Division
Financial Partners

cc: FAOD Regional Directors